GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2722
ANSWERED ON:17.03.2017
Utilisation of Foreign Fund
Choudhary Shri Ram Tahal;Devi Smt. Rama

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has laid down any monitoring mechanism to ensure that the objectives of foreign loans for various developmental project/work have been achieved and if so, the details thereof;

(b) the details of the pending/stalled projects on account of non-utilisation of such loans/funds during the last three years and the current year; and

(c) the action taken by the Government to ensure that the country is benefited optimally through the proper utilisation of the foreign loans/funds?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) & (b): Yes Madam. Government of India has developed various mechanisms to ensure that the objectives of foreign loans for various developmental projects/work are achieved in a timely manner. This includes strict monitoring of disbursements/projects through Tripartite Portfolio Review Meetings (TPRMs), State Review Meetings (SRMs) and also through regular interaction with the Project Implementing Authorities highlighting the project specific issues. The projects are being implemented in the time-frame agreed among the External Agencies, Line Ministries and Project Implementing Agencies.

(c): In order to ensure that the country is benefited optimally through the proper utilisation of foreign loans/funds, the project proposals received from the State Governments/Central Government Line Ministries are examined based on preparedness and relevance. The broad contours of Finance-Plus elements are ensured in the project proposals and are firmed up during the course of preparation of projects. The Finance Plus elements include Systemic and Transformational Impact, Innovations and piloting of new approaches, Innovations in financing and leveraging and knowledge transfer.

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